



## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### 31 CFR Part 542

#### Syrian Sanctions Regulations

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Final rule.

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**SUMMARY:** The Department of the Treasury’s Office of Foreign Assets Control (OFAC) is adopting a final rule amending the Syrian Sanctions Regulations to expand an existing authorization related to certain activities of nongovernmental organizations (NGOs) in Syria.

**DATES:** This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Licensing, 202-622-2480; Assistant Director for Regulatory Affairs, 202-622-4855; or Assistant Director for Sanctions Compliance & Evaluation, 202-622-2490.

#### SUPPLEMENTARY INFORMATION:

##### Electronic Availability

This document and additional information concerning OFAC are available on OFAC’s website: [www.treasury.gov/ofac](https://www.treasury.gov/ofac).

##### Background

On April 5, 2005, OFAC issued the Syrian Sanctions Regulations, 31 CFR part 542 (70 FR 17201, April 5, 2005) (“the Regulations”), to implement Executive Order (E.O.) 13338 of May 11, 2004, “Blocking Property of Certain Persons and Prohibiting the Export of Certain Goods to Syria” (69 FR 26751, May 13, 2004). OFAC thereafter amended the Regulations on May 2, 2014 (79 FR 25414, May 2, 2014) to implement six additional Executive orders related to Syria.

OFAC, in consultation with the State Department, is amending the Regulations to expand the existing general license at § 542.516 to authorize NGOs to engage in certain assistance-related investment activities in support of certain not-for-profit activities in Syria, including (i) new investment in Syria that would be prohibited by § 542.206; (ii) additional dealings with a limited subset of the Government of Syria as defined in § 542.305(a) that would be prohibited by § 542.201(a)(1); and (iii) the purchase of refined petroleum products of Syrian origin that would be prohibited by § 542.209. Consistent with the Caesar Syria Civilian Protection Act of 2019 (Pub. L. 116-92, Div. F, Title LXXIV, 133 Stat. 2290, 22 U.S.C. 8791 note) (“the Caesar Act”), Section 7425(b), OFAC is also amending the general license at § 542.516 to reflect that it does not apply to any foreign person that has been designated as a foreign terrorist organization under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189), or otherwise designated as a terrorist organization by the Secretary of State, in consultation with or upon the request of the Attorney General or the Secretary of Homeland Security. Finally, OFAC is adding the Caesar Act to the authority citation of 31 CFR part 542.

### **Public Participation**

Because the amendment of the Regulations involves a foreign affairs function, the provisions of E.O. 12866 of September 30, 1993, “Regulatory Planning and Review” (58 FR 51735, October 4, 1993), and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601-612) does not apply.

### **Paperwork Reduction Act**

The collections of information related to the Regulations are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by the Office of Management and Budget under control number 1505-0164. An agency may not

conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

### **List of Subjects in 31 CFR Part 542**

Administrative practice and procedure, Banks, banking, Blocking of assets, Credit, Exports, Foreign Trade, Investments, Nongovernmental organizations, Penalties, Petroleum, Reporting and recordkeeping requirements, Sanctions, Security, Services, Syria.

For the reasons set forth in the preamble, OFAC amends 31 CFR part 542 as follows:

### **PART 542—SYRIAN SANCTIONS REGULATIONS**

1. The authority citation for part 542 is revised to read as follows:

**Authority:** 3 U.S.C. 301; 31 U.S.C. 321(b); 18 U.S.C. 2332d; 22 U.S.C. 287c; 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101-410, 104 Stat. 890, as amended (28 U.S.C. 2461 note); Pub. L. 116-92, Div. F, Title LXXIV, 133 Stat. 2290 (22 U.S.C. 8791 note); E.O. 13338, 69 FR 26751, 3 CFR, 2004 Comp., p. 168; E.O. 13399, 71 FR 25059, 3 CFR, 2006 Comp., p. 218; E.O. 13460, 73 FR 8991, 3 CFR 2008 Comp., p. 181; E.O. 13572, 76 FR 24787, 3 CFR 2011 Comp., p. 236; E.O. 13573, 76 FR 29143, 3 CFR 2011 Comp., p. 241; E.O. 13582, 76 FR 52209, 3 CFR 2011 Comp., p. 264; E.O. 13606, 77 FR 24571, 3 CFR 2012 Comp., p. 243.

2. Amend § 542.516 as follows:

- a. Remove paragraph (d).
- b. Redesignate paragraphs (a), (b), and (c) as paragraphs (b), (c), and (d), respectively.
- c. Add new paragraph (a).
- d. Revise newly redesignated paragraph (b) introductory text.
- e. In newly redesignated paragraph (c):
  - i. Remove the text “, except as authorized by paragraph (d) of this section,”;
  - ii. Remove the text “the Government of Syria or any other” and add in its place “any”; and
  - iii. Add “other than persons who meet the definition of the term *Government of Syria*, as defined in § 542.305(a)” after “§ 542.201(a)”.

f. Revise newly redesignated paragraph (d) and paragraph (e).

g. Add paragraph (f).

The additions and revisions read as follows:

**§ 542.516 Certain services in support of nongovernmental organizations' activities authorized.**

(a) Nongovernmental organizations are authorized to engage in the following transactions and activities in support of the not-for-profit activities described in paragraph (b) of this section:

(1) Transactions with persons who meet the definition of the term *Government of Syria*, as defined in § 542.305(a), that would be prohibited by § 542.201(a)(1);

(2) New investment in Syria that would be prohibited by § 542.206;

(3) The exportation or reexportation of services to Syria that would be prohibited by § 542.207; and

(4) The purchase of refined petroleum products of Syrian origin for use in Syria that would be prohibited by § 542.209.

(b) The not-for-profit activities referenced in paragraph (a) of this section are:

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(d) U.S. persons engaging in transactions or processing transfers of funds to or from Syria in support of activities described in paragraph (b)(5) of this section are required to file quarterly reports no later than 30 days following the end of the calendar quarter with OFAC. The reports should include complete information on all activities and transactions undertaken pursuant to paragraphs (a) and (c) of this section in support of the activities described in paragraph (b)(5) of this section that took place during the reporting period, including the parties involved, the value of the transactions, the services provided, and the dates of the transactions. The reports should be submitted via email to [OFACreport@treasury.gov](mailto:OFACreport@treasury.gov) or via U.S. mail to the Office of Foreign Assets Control, Licensing Division, U.S. Treasury Department, 1500 Pennsylvania Avenue N.W., Freedman's Bank Building, Washington, DC 20220.

(e) This section does not authorize:

(1) Any transactions or activities involving any person whose property and interests in property are blocked pursuant to § 542.201(a), other than persons who meet the definition of the term *Government of Syria*, as defined in § 542.305(a);

(2) The importation into the United States of petroleum or petroleum products of Syrian origin prohibited by § 542.208; or

(3) Any transactions or dealings in or related to petroleum or petroleum products of Syrian origin prohibited by § 542.209, except as authorized in paragraph (a) of this section.

(f) Nothing in this section authorizes nongovernmental organizations to undertake any transaction or dealing that involves any foreign person that has been designated as a foreign terrorist organization under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189), or otherwise designated as a terrorist organization, by the Secretary of State, in consultation with or upon the request of the Attorney General or the Secretary of Homeland Security.

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**Dated:** November 22, 2021.

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**Bradley T. Smith,**  
*Acting Director, Office of Foreign Assets Control.*

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